

Ross Hunter — 48th District



Legislative Wrap-Up

Dear Neighbors,

This was my first year in the House of Representatives, and the \$2.7 billion hole in the state budget made it difficult for lawmakers to tackle other problems, especially public school improvements. The bad news is that we were unable to completely fund the two education initiatives I-728 and I-732 and we had to eliminate many slots in the Basic Health Plan.

The good news is that we balanced the budget without new taxes, passed a plan to start fixing traffic gridlock and gave seniors help with the price of prescription medicine.

I fought hard to keep funding for the Better Schools Initiative which is fundamental to the success of our public schools. I also worked to minimize the burden of increased health care benefit costs to our teachers. This is particularly important in our school districts due to the high cost of housing.

I'll keep fighting to give our kids a better education. Next session, I'll continue to work on several key bills for schools:

- School levies — this bill would raise millions of dollars for our local schools.
- School financing reform — our system for funding schools is ancient; updating it would make it more fair and balanced, helping all kids, whether they lived in Bellevue or Pullman.
- Fully funding a great education system for all students in Washington.

My experience this year working on the budget in the Appropriations committee confirms my belief in performance audits. I'm happy that the legislature passed legislation requiring performance audits, and I was particularly proud to be asked to serve on the committee that oversees them.

We can build a Washington that amply funds our schools and provides a safety net for the least fortunate, protects the environment and quality of life we enjoy here, and still make Washington a better place to do business. I remain committed to this effort.

I would love to hear your ideas about making our state a better place to live, work and raise a family. Feel free to write me at hunter_ro@leg.wa.gov or call my district office at 425-453-3064.



ROSS HUNTER

What happened:

- 2.7 billion budget deficit drove every decision made this year.
- No initiatives are funded completely.
- Transportation plan finally passed, includes accountability, roads, transportation choices.
- Capital Budget increases school construction fund.
- At the last minute, the House and Senate passed a plan to help seniors with the high cost of prescription medicine.
- Boeing issue dominates special session. Legislature decides it wants to keep the jobs.

Keeping in touch

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Committees: Appropriations
Education
Financial Institutions and Insurance
Joint Legislative Audit and Review

News from the Legislature



Balancing the budget

The \$2.7 billion budget shortfall drove every decision made in Olympia this year.

The state's constitution requires us to pass a budget every two years, and the House, Senate, and Governor must agree on it.

We passed a compromise budget that cuts 10 percent our state's operating budget for the next two years. It's difficult to make cuts of this magnitude without damaging programs we all care about.

I am not fully satisfied with this budget. I do not believe it invests adequately in our education system and am unhappy about our inability to adequately fund the education initiatives that passed overwhelmingly on the eastside.

I am also concerned about the provisions in the final version of the budget like cuts to health insurance premiums for children. These cuts will damage a key component of the safety net for children.

These votes were disappointing to me personally. However, my firm belief is that due to declining revenue, any further delay would have resulted in a budget that spent even less on children's health, education and teacher salaries.

I fought for some improvements in the budget, including:

- Retained part of the Better Schools fund that was cut in both other budgets. This funds 4 teachers each in the Bellevue, Lake Washington and Issaquah school districts.
- Lowered the rate of increase to teacher health care premiums.
- Limited cuts to the Children's Health Insurance Program.
- Limited cuts to the Basic Health Plan (which provides health insurance for working families).

- Improved salaries for new teachers, with better pay the first seven years on the job.

I voted for a House version of the budget that I believe would have been much better for the state than the House-Senate compromise. The House budget would have partially funded both school initiatives (I-728 and I-732), done a better job supporting our public schools and made less drastic cuts in children's health care.

In addition to the work above, I sponsored legislation proposed by the Governor to conduct a detailed study of the entire K-12 finance system. My experience this year shows that we cannot make changes in small pieces — we must review the entire system if we want to raise the money fairly and distribute it fairly.

We also must make sure that our system meets the constitutionally required "ample" guideline, and it is clear to me that our current system isn't ample.

To see the impacts of the different budgets on our school districts, go to the link in the sidebar. It is a pivot table from the Superintendent of Public Education and you can look up an individual district. It shows the difference between the three different plans.

Stupidly, the commission that sets legislator salaries will raise mine by 2%, and we can't fix it without a constitutional amendment. I cannot understand why they did so, and will donate the difference to an education charity.

The home care worker contract was a subject of much debate during the session. This initiative passed overwhelmingly and gave collective bargaining rights to workers that make \$7.68/hour with no health benefits or workers



compensation. The negotiated deal was for a \$2/hr raise, costing about \$100 million. The Senate rejected this. The final budget includes \$31 million earmarked for raises, which works out to about 75 cents/hour, a 10 percent raise.

If anyone has specific questions about this budget, please feel free to call or write. Here are some answers to common questions:

- The Long Term Care Ombudsman program for seniors is still funded.
- "Ticket to work" is still in the budget.
- The Family Planning Council is still funded.
- Salmon recovery boards are still in the capital budget.
- Adult dental care was reduced 25%.
- The Fircrest decision was finessed. The facility will be downsized and studied to death. Regardless of your position on this painful topic, I think we ought to make decisions, not push them off.

Good budget website

Comparison across districts of budget impacts:
[www.k12.wa.us/legis/2003documents/PIVOT\(Final\).xls](http://www.k12.wa.us/legis/2003documents/PIVOT(Final).xls)

Boeing Package Let's build the next airplane here!

In the last week of the first special session, we passed a package of bills that we hope will keep substantial parts of Boeing Commercial Airplanes here for the foreseeable future. These bills make significant changes to the state's business climate, generally for the better.

In short, Boeing will now get a significant tax break, if and only if the Boeing 7E7 is built here. Changes were made to workers compensation and unemployment compensation to make the system more fair and less expensive for Boeing and other employers.

The tax break is significant, though we felt that the downside of losing the entire Boeing tax base over the next 10 years as existing production lines attrition

was much, much worse than the reduction in their tax burden. Better something than nothing.

The most contentious of these bills was the change to unemployment insurance (UI). Our state has one of the richest unemployment systems in the country. We made changes that will take the system from over 300 percent of the national average to 200 percent in the next several years. The most contentious change affected seasonal employees. The original proposal would have knocked most seasonal employees off the rolls, eliminating benefits for 44,000 workers.

At a time when we have the second highest unemployment rate in the nation, I opposed this plan. The House and the Governor

would not concur on this issue, and the proposal was changed.

In the past, we allowed seasonal employees (i.e. fishermen or agricultural workers) to average their earnings over two quarters to figure their annual earnings. In the end game, we changed to four quarter averaging, which will reduce benefits for many seasonal workers by 10 percent to 15 percent.

The other UI change affects the distribution of payments between employers. Boeing has paid \$268 million more into the fund than the workers they lay off have collected over the last 15 years. Other employers have paid significantly less than their workers



have collected. We largely fixed this problem.

I voted for this package after the UI bill was modified to not eliminate benefits for the 44,000 seasonal workers. It was a crucial element in keeping Boeing here.

I would rather keep jobs in this state than pay higher unemployment benefits, starting from the very well-paying system we have now. If we had a very poor system I might have come to a different conclusion.

Education

I worked with other eastside legislators, both Democrats and Republicans, on four major education bills this session, and the passage of all four was blocked by politics at the last minute. We have built a substantial bipartisan coalition that supports this legislation, and we will be back day one of next year's session to finish what we started.

I am deeply disappointed that we could not get these important bills passed. I hope that we will be able to pass significant legislation like this without having it tied to

other bills, as much of the education legislation was this year.

1989 - Learning Assistance Program. This bill changed the set of activities schools could fund with LAP money to a set that we know from research actually work. Currently a lot of this money goes to "pullout" programs that have little demonstrable effect on student performance.

2195 - WASL. This bill sets up retakes, alternative measures, a taskforce on how to handle special education students, and nails down a lot of little details re-

quired to actually implement the certificate of mastery. It is crucial to continuing our investment in education reform.

6094 - Levy Rollbacks. 6094 would have allowed local districts to use Everett's higher grandfathered teacher salaries in their levy base calculation, starting to even out the differences between districts in the Puget Sound area. It would have meant millions of dollars more for many school districts from money already approved by local voters.

5012 - Charter Schools. This bill would have enabled charter schools in Washington. The bill is significantly different than previous charter school bills, and is focused on educationally disadvantaged children. I feel that they would be a useful tool, though they affect very small numbers of children. Our bill has gained support from a number of players, including the Superintendent of Public Instruction, but there is still significant disagreement. I feel that the legislation can stand on

its own, and is a reasonable reform. It may not be time for charter schools, but if the Legislature chooses to pass this legislation, at least it is well written.



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Capital Budget Investing in jobs and infrastructure

This is the money we spend on significant long-term construction projects. The capital budget is less affected by the economic downturn than the operating budget. In fact, the low interest rates have allowed us to move up some investments we would have made in the short-term future to now, increasing jobs and saving the state money.

The capital budget team made significant investments in our higher education system this year, embracing the Evans-Gardner proposal to address the lack of higher education capacity in our university system.

We also make a significant investment in improving the state's participation in construction of K-12 schools. The uptick in state funding could mean as much as 1 million dollars per new or rebuilt school.

I see some discontinuity in providing capital funds for some of these projects at a time when we are making significant cuts in education and social services, but the allocations of money come from significantly different sources that are limited in what they can be spent on. I cannot change this today, but it bears some thought in the future. We have stability in our capital funding system, but not on the operating side. This is part of the major long-term conversation we need to have in this state, and that we are only starting to talk about now.

Transportation plan passed first time in 13 years...

I am excited that we passed a plan this year for the first time in 13 years. The transportation plan passed by the legislature is much smaller and more focused than Referendum 51 was, and has more accountability for project completion. It was designed to focus on projects that could be completed within the budget, unlike R51. The exceptions are for some large projects like SR 520 that will mostly be paid for by the Regional Transportation Investment District (RTID), but that need planning, land acquisition, etc. to continue.

The plan raises additional revenue through a 5 cents per gallon gas tax, an excise tax on car purchases, a small weight fee on trucks (asked for by the trucking industry to pay for freight mobility projects) and a few other fees. The gas tax revenue, as determined by the 18th amendment, will be spent exclusively on highways.

A longer summary of the specific projects, specific tax increases, and the changes we made to the RTID legislation can be found on my website.

A list of all transportation projects in Washington can be found at:

http://leap.leg.wa.gov/leap/Budget/Detail/2003/st0305projlist_0427.pdf

Help for seniors with prescription drugs



The legislature passed a prescription drug plan on the last day of the first special session. This bill will save the state and lower-income

seniors money by allowing the state to purchase drugs in bulk, will set up a system based on a formulary that allows pharmacists to substitute drugs that are equally effective but less costly for name brand drugs. There are significant safeguards built into the system, including the ability for doctors to write "dispense as written" on any prescription. I think it is a modest reform that will save some money for the state, and will save lower-income seniors some money as well.

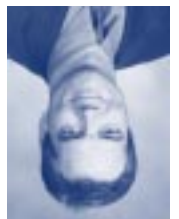
The real solution to this problem is national, and Congress seems to be working on something, though the descriptions of what it does in the newspapers are very complicated.

I was happy to vote for this reform.

News From the Legislature

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